



ten square_games

STRATEGY UPDATE

May 2023

TODAY'S **AGENDA**



1 Portfolio evolution

2 Market opportunity

3 Updated Strategy

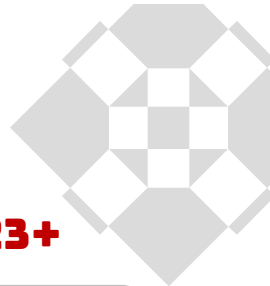
4 Q&A



PORTFOLIO EVOLUTION

Section 1

JOURNEY FROM ONE TITLE TO A DIVERSIFIED PRODUCT PORTFOLIO...



2012

2017

2020

2021

2022

2023+

Major events

Let's Fish is released as a browser game

Fishing Clash and Wild Hunt are launched

Covid-19 outbreak & launch of Hunting Clash

Rortos acquisition

Launch of Wings of Heroes & investment in Gamesture

Focus

Our game portfolio¹



QUESTLAND



THE GANG



AIRLINE COMMANDER

REAL FLIGHT SIMULATOR

AIRLINE COMMANDER

REAL FLIGHT SIMULATOR



Revenues (PLN MM)

2.1

27

578

634

539

2012

2017

2020

2021

2022

Adjusted EBITDA (PLN MM)

0.2

11

230

234

141

2012

2017

2020

2021

2022

1. Games with cumulative revenues above 1 mUSD

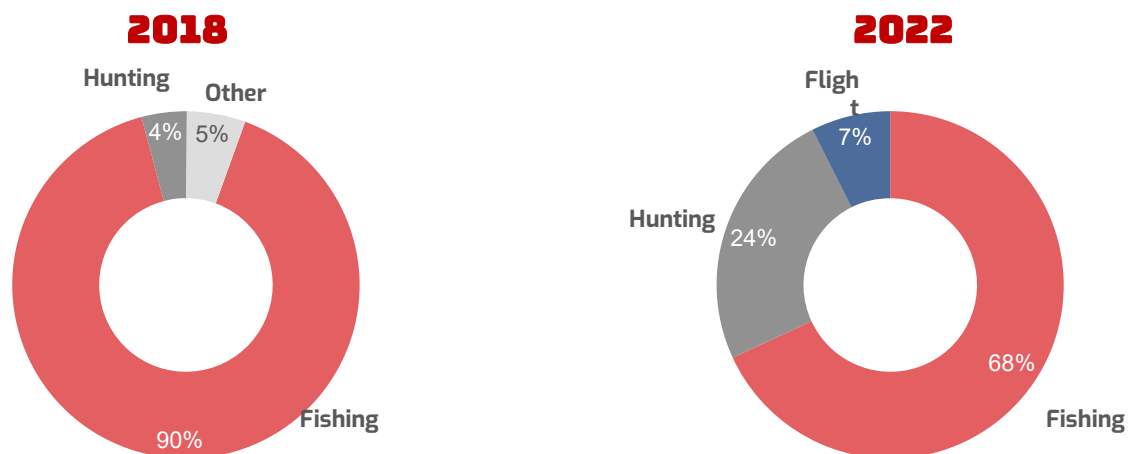
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ten square games

...CONCENTRATED AROUND 3 NICHES

Revenue split by segment



Today we are present in fishing, hunting and flight simulators and **we are not longer dependent on one product**

Key games



REAL FLIGHT
SIMULATOR



AIRLINE COMMANDER

LEADERS IN FISHING & HUNTING GAMES, WITH A PROVEN TRACK RECORD OF SUSTAINABLE MONETIZATION CAPABILITIES THAT OUTPERFORM DIRECT PEERS



#1

Fishing game by revenues, downloads & active users

#1

hunting game by revenues, downloads & active users

277%

higher revenue per active user compared to average of top 15 competitors in last 365 days¹

23%

higher revenue per active user compared to average of top 15 competitors in last 365 days¹

24%

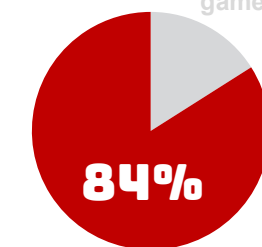
share in downloads across top 15 competitors in last 365 days¹

9%

share in downloads across top 15 competitors in last 365 days¹

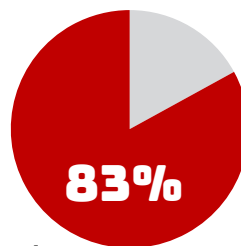
Share in global revenues pool across largest competitors in niche¹

Top 15 fishing games by grossing



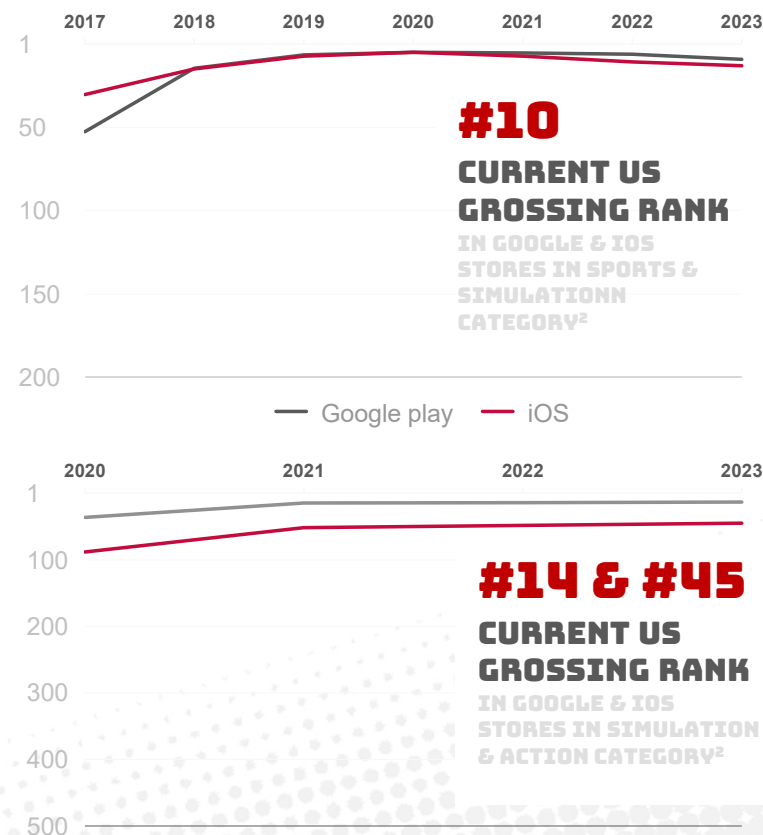
Fishing Clash

Top 15 hunting games by grossing



Hunting Clash

Grossing rank history since 2017 in US app store
Daily average for the year & current rank



1. Calculated against top 15 grossing fishing & hunting games, data derived from www.data.ai based on last 365 days as per 16/05/2023. Unified data for both iOS and Android stores
2. Rank as per 16/05/2023, data derived from www.data.ai

WE WANTED TO GROW ON THE WAVE OF COVID BOOST

Core Game Development



2011

2017



2020



2021

2022



2023+

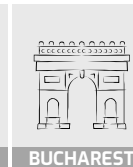
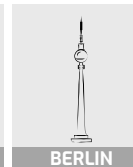
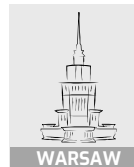
The Next Big Clashes

More Sims

Expansion

Studios Expansion

M&A



More New Games



More M&A

BUT EXPONENTIAL GROWTH CAUSED LOWER **FOCUS ON CORE PRODUCTS**

UNPRECEDENT COVID-19 BOOST CAUSED DISRUPTION IN THE GROWTH TRAJECTORY

NEW CHALLENGES

EXTERNAL

HIGHLY COMPETITIVE
MARKET

CHANGES IN UA
ACQUISITION

NO ONE IS RESILIENT TO
MARKET DISTURBANCE

NEW SHAPE OF POST
COVID ENTERTAINMENT
MARKET

INTERNAL

OPENING OF NEW
STUDIOS

EXPLORATION OF NEW
GENRES

INTEGRATION OF
ACQUIRED ASSETS

INVESTMENT IN
PRODUCTION CAPACITY

TRANSFORMATION AND CONSOLIDATION OF GLOBAL GAMING
MARKET

SCARCE RESOURCES

TOO MANY
PROJECTS AT ONE
TIME

SHORT TIME

STILL WE GREW DESPITE HEADWINDS

Our strategic objective is to become a **diversified free-to-play mobile gaming platform** operating a world-class, long-lasting and growing portfolio of games.

2019

Bookings in games

PLN 242m

Adj. EBITDA

PLN 86m

TSG game downloads

26,0m

Games (live + in dev)*

7

Market segments

fishing

2022

PLN 539m

PLN 141m

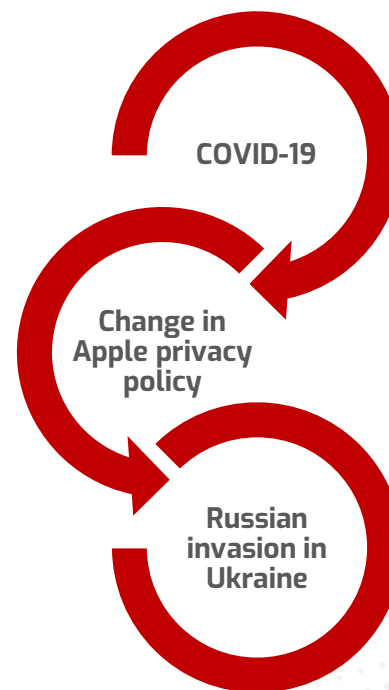
95,0m

9

fishing

hunting

flight sim



* 2019: 3 games live, 4 in development; 2020: 4 games live, 6 in development; 2022: 6 games live, 3 in development

WE HAVE **COMPETITIVE ADVANTAGES**

Our games have leading position in fishing, hunting and flight simulation niches

Leading games



Our games have a significant monetization depth thanks to experience & dedicated live operations teams

In-app monetisation



New ideas and projects in future development pipeline

New ideas



Experienced team

~ 400 gaming enthusiasts with experience all across gaming industry ready to explore mobile gaming opportunities



Unique competences

We have unique know-how and competences to create and dominate niches in hobby and simulation segment



Profitable Company

Strong fundamentals and healthy balance sheet providing financing for development and distribution to shareholders



Acquired assets

We have promising assets in our portfolio – Wings of Heroes - that will support our future growth

AND THE MANAGEMENT TEAM READY FOR NEW CHALLENGES AHEAD

Andrzej Ilczuk

Chief Executive Officer



17 years
of professional experience

4 years at TSG

Magdalena Jurewicz

Chief Financial Officer



11 years
of professional experience

7 years at TSG

Janusz Dziemidowicz

Chief Technology Officer



15 years
of professional experience

11 years at TSG



MARKET OPPORTUNITY

Section 2

MOBILE GAMING HAS STRONG GROWTH PROSPECTS

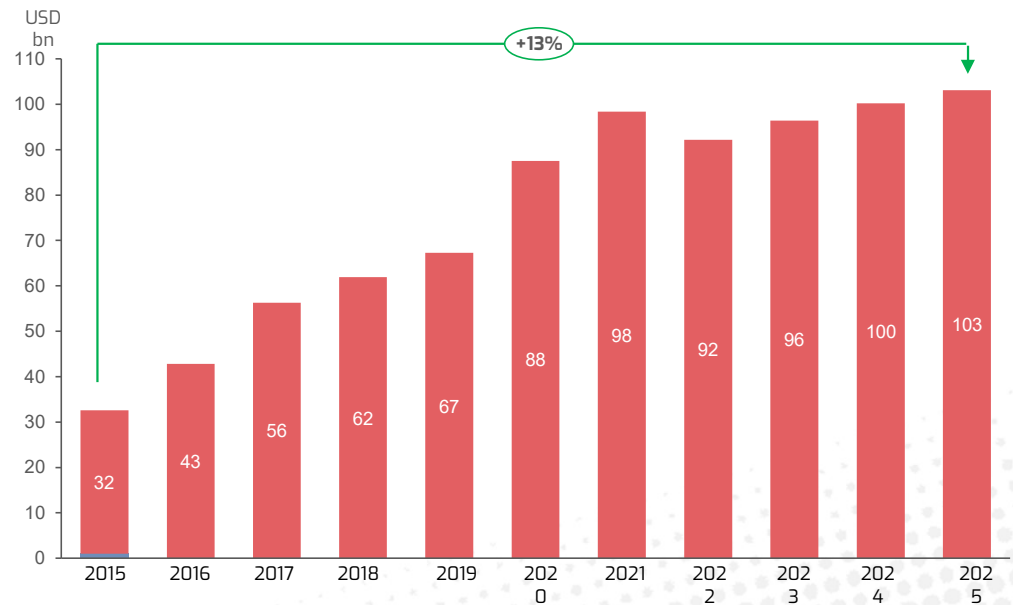
Mobile gaming is the biggest category of video games market

Forecasted number of players by segment



Source: Newzoo global games market report premium January 2023

Forecasted growth of the mobile games market (CAGR)



GAMING IS THE ENTERTAINMENT OF THE FUTURE, AND **MOBILE GAMING IS THE FUTURE OF GAMING**



Gaming is part of our culture: globally, the male-to-female **gamer ratio is close to 50:50**; 97% of teenage boys, 83% of teenage girls and 43% of adults play regularly



Young generations entering the market are fueling an **ever-growing gaming audience**



Gaming delivers strong, long-term growth with relatively low macro correlation and a history of outperformance in crisis



COVID-19 was an unprecedented **boost to a gaming market**



3 billion gamers worldwide, 50% of which spend money regularly



4 hours 48 minutes per day spend players on mobile gaming; 30% growth in last 2 years

Source: Wikipedia; : Pew Research, Newzoo, Data.ai,



TIME FOR FOCUS ON CORE PRODUCTS

Section 3

TSG'S GROWTH ENGINES

CURRENT GROWTH DRIVERS



FUTURE FURTHER INVESTMENT IN GAMESTURE



QUESTLAND

SLASH & ROLL!

THE GANG

Hero Legacy

PROVEN APPROACH TO **PRODUCT GROWTH**

LIFE TIME **VALUE**



USER ACQUISITION



ENGAGEMENT



RETENTION



MONETIZATION



EXPERIENCED
DEVELOPMENT TEAMS



DATA DRIVEN
DECISIONS



FOCUS ON
KEY PRODUCTS

A CLEAR STRATEGIC FOCUS



Technical mastery of our games

First time user experience



New approach to feature development

New monetization options for long term players



DEPTH OF THE GAME

Longer game play

New planes

Live Ops

Social Elements

AND ORGANIZATION ALIGNED TO **NEW STRATEGIC PRIORITIES**

DEVELOPMENT OF KEY PRODUCTS

OPTIMIZED TEAM SIZE

CLEAR DEVELOPMENT ROADMAP

TEAM STRENGTHENED WITH EXTERNAL TALENT

NEW APPROACH TO PRODUCT DEVELOPMENT

TECHNOLOGY

BUSINESS INTELLIGENCE

ANALYTICS

INTEGRATION OF ACQUIRED ASSETS



OPERATING SYSTEMS



PRODUCT DEVELOPMENT PROCESS

PROFITABILITY

COST EFFICIENT PRODUCT DEVELOPMENT

OPERATING EXCELLENCE

ACCUMULATION OF RESOURCES FOR FUTURE
DEVELOPMENT PROJECTS

DISTRIBUTION OF PROFIT TO SHAREHOLDERS



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THANK YOU!

